

DOCKET NO. 2012-177-WS

**TEGA CAY WATER SERVICE'S
OBJECTIONS TO AND MOTION TO STRIKE
CERTAIN TESTIMONY AND EXHIBITS OFFERED
ON JANUARY 8, 2013**

EXHIBIT A

REFERENCED PAGES OF THE TRANSCRIPT AND EXHIBITS

1 WITNESS: My name is Gene Esarove, and I live
2 at 3081 Point Clear Drive in Tega Cay.

3 I just had a couple of problems with them:
4 one where the water was running down the street in
5 front of my house, and I called them. I said, "The
6 water is running down the street." And they said,
7 "I don't have anybody in the area. It'll probably
8 be a couple of hours before he got there." I said,
9 "The water's running. It's running pretty good."
10 He said, "Well, it's not going to cost you any
11 more." "But I'm sure it's going to cost everybody
12 more if it doesn't get fixed." "Okay." Well, an
13 hour and a half, two hours later, they finally came
14 out and looked at it, and then that same day they
15 did fix that water. But it didn't seem like it was
16 an urgency. And there was a lot of water coming
17 out and running down.

18 Another one was they were blowing out the
19 sewers, and my mother-in-law was visiting us. And
20 it came out of the toilet where they were blowing
21 it, and she happened to be sitting on it. So it
22 didn't get real bad in there because she had it
23 covered, but we cleaned it up. But every time she
24 comes to the house now, she always looks out in the
25 street to make sure there's nobody out there, so

1 she can use the washroom.

2 Those are the two things. And the water that
3 we get, I have to filter it before I can drink it.
4 It's just -- it's got a smell to it; it's not that
5 clear. And if you go away for a while -- like that
6 gentleman said, for three months -- you get a red
7 ring in your toilet, too.

8 And you guys were all there in Tega Cay and
9 you saw those PowerPoint pictures of the broken
10 locks and the manholes uncovered and all those
11 things. I was impressed with our citizens of Tega
12 Cay putting that all together. Maybe Tega Cay
13 Water Service should hire those people, and they
14 wouldn't have those kind of problems. I'm very
15 proud of those people that took all that
16 information.

17 And I don't think they deserve a rate
18 increase. It's like Ralph Norman said when we were
19 at the meeting in December: My bill is about \$700
20 and if they get their increase it will be over
21 \$1,000 just for water and sewer. Doesn't make any
22 sense. That's all I have.

23 CHAIRMAN WRIGHT: Thank you. Mr. Terreni, any
24 questions?

25 MR. TERRENI: No questions, Mr. Chairman.

1 CHAIRMAN WRIGHT: Mr. Nelson?

2 MR. NELSON: Yes, Mr. Chairman.

3 CROSS EXAMINATION

4 BY MR. NELSON:

5 Q Mr. Esarove, can you tell me when the -- you talked
6 about the water that was running. Was that water or
7 sewage, your first comment? Do you know?

8 A I really don't have a date that it happened, but it was
9 probably five, six years ago. And it was out in the
10 street, right in front my house. It wasn't on my
11 property or anything, but I called them. I'm the only
12 one that lives that far down on that access road, and I
13 had their number so I called them.

14 Q Now what about the second story that we heard from you?
15 Can you tell me that --

16 A It happened to me about the same time. My wife fell and
17 broke her knee cap, and she came to help us. And she
18 saved the bathroom. But it was about, I'd say -- I
19 don't know the exact date, but about five or six years
20 ago.

21 Q Have you had any other instances like that, since then,
22 to your knowledge?

23 A No. My mother-in-law keeps checking to make sure
24 they're not out there.

25 Q Do you receive a notice -- does the company notice you,

1 or have they ever provided notice to you when they're
2 cleaning out the lines like that or doing any work?

3 A No. But there are times we get messages on our
4 telephone that says to boil your water for the next day
5 or two. I don't -- that happens too often.

6 Q And that kind of gets to my next question, which is the
7 water quality question. Has the water quality improved
8 any, that you've seen, over the time you've been there?

9 A See, I have a filter that I use, because I just don't
10 like the taste of it or the smell of it, so -- and that
11 helps. But I normally drink bottled water anyway,
12 because it's -- I just don't think the water is that
13 good.

14 MR. NELSON: Thank you for your testimony,
15 sir. Appreciate it.

16 CHAIRMAN WRIGHT: Thank you. Commissioners,
17 any questions?

18 COMMISSIONER HAMILTON: Mr. Chairman.

19 CHAIRMAN WRIGHT: Commissioner Hamilton.

20 EXAMINATION

21 BY COMMISSIONER HAMILTON:

22 Q How are you this morning, sir?

23 A Fine. How about yourself?

24 Q Fine, fine. I'd like to ask you a clarification
25 question on the bill. Did you say your monthly bill was

1 to -- thank you, sir.

2 CHAIRMAN WRIGHT: Commissioners, any other
3 questions?

4 [No response]

5 If not, thank you, very much.

6 WITNESS: You're welcome.

7 CHAIRMAN WRIGHT: You may step down.

8 [WHEREUPON, the witness was excused.]

9 MR. DONG: The next witness is Shantel Wiley.

10 [Witness sworn]

11 THEREUPON came,

12 S H A N T E L W I L E Y ,

13 who, having been first duly sworn, testified as follows:

14 WITNESS: I'm Shantel Wiley. I live at 7024
15 Chelsea Day Lane.

16 I just wanted to address we recently had a
17 news article done on the top newsmakers of 2012,
18 and Linda Stevenson, with the Tega Cay Water
19 Service fight, has made the number one news. I'm
20 sorry; I'm a little nervous. And, you know, I just
21 wanted to address that because it's so near and
22 dear to everybody's heart and it's affecting us
23 greatly. If the rate increase happens, I mean,
24 it's really -- it's going to hurt a lot of people.

25 So I just wanted to keep it short and sweet,

1 and just address that news article.

2 CHAIRMAN WRIGHT: Did you want to put that
3 into the record?

4 WITNESS: Yes, I think that -- I mean, yes.

5 CHAIRMAN WRIGHT: That will be Exhibit No. 9.

6 [WHEREUPON, Hearing Exhibit No. 9 was
7 marked and received in evidence.]

8 CHAIRMAN WRIGHT: And is that --

9 WITNESS: That's all.

10 CHAIRMAN WRIGHT: Mr. Terreni, any questions?

11 MR. TERRENI: No, Mr. Chairman. Do you want
12 us to handle objections the same way we did with
13 the public hearing in Rock Hill? Or do you want us
14 to make them contemporaneously?

15 CHAIRMAN WRIGHT: You know, if you want to
16 take the time to do like we did before, it might
17 serve you better and serve the record better.

18 MR. TERRENI: That will be fine, Mr. Chairman.

19 CHAIRMAN WRIGHT: Mr. Nelson, any questions?

20 MR. NELSON: No questions. Thank you, ma'am.

21 CHAIRMAN WRIGHT: Commissioners. Commissioner
22 Fleming.

23 EXAMINATION

24 BY COMMISSIONER FLEMING:

25 Q I might not have been able to ask if Mr. Terreni hadn't

1 waited. Could you tell me why you made the news, one of
2 the top ten articles? Why did the Tega Cay Water
3 Service?

4 A Yeah, it's -- everybody has been -- like, as far -- it's
5 really important, and it's really affecting a lot of
6 people. And people are following it, outside of
7 Charlotte. I'm in college right now, and my professors
8 have been asking me what's going on, and it's -- I'm
9 sorry. It's just -- it's really -- it's a very
10 important topic, and the rate increase really isn't
11 justified. And it's --

12 Q So it's concerning the rate increase?

13 A Yes. Yeah. It's -- the whole article -- it said Linda
14 Stevenson, with the Tega Cay Water Service; however the
15 article is talking about how the rate increase is made
16 public and how it's going. It's the number -- I mean,
17 there were so many articles done on it throughout 2012,
18 following this, and everybody in Tega Cay is concerned
19 about it.

20 Q Thank you.

21 A Uh-huh.

22 CHAIRMAN WRIGHT: Commissioner Howard.

23 EXAMINATION

24 BY COMMISSIONER HOWARD:

25 Q Good morning.



Jacks soar
Fort Mill hangs on for win over 6th-ranked Aiken, 1E

12 PAGES

FORT MILL TIMES

Dove performs his swan song, 4A

WEDNESDAY, JAN. 2, 2013

www.fortmilltimes.com

COVERING FORT MILL, TEGA CAY AND INDIAN LAND SINCE 1972

Charlie Short, the true stories of his life

Local man had colorful history

By John Marks
jmarks@fortmilltimes.com

FORT MILL — To be kept enough with friends of Charlie Short, and he seems to sound an awful lot like a maverick character. Short's story ended Dec. 23 at age 86, but those who knew him best promise to keep on telling it.

"His stories seem to be endless," said son-in-law Charles Clinton, "but you'll find out that most of them are true."

Like the one about a 15-year-old who, the day after Pearl Harbor, fled about his age to enlist in the Army before his mama "too-enclosed" him.

Short eventually grew old enough to join the Navy, where he served in the Philippines during World War II.

"He could tell you stories that would out your hair," said Benny Pinner, 80, who served for years with Short in an American Legion Honor Guard and as a Shriner.

Short, a world-class iron worker, particularly liked to tell how he traveled to New York to put up a major bridge only to

Read Mr. Short's Obituary
Page 2B

return to Fort Mill. "and they were still working on the new bridge on Doby's Bridge Road."

Short worked on the World Trade Center towers in New York, communications towers for Saudi Arabian royals and a Cold War era early warning system in the Northwest Territory.

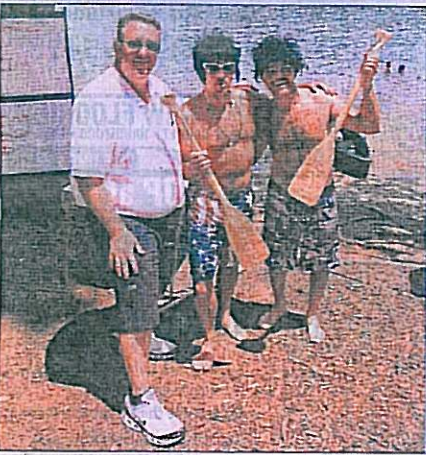
He helped break down a World War II, and he put up skyscrapers in Charlotte.



Members of the American Legion Honor Guard, a group of which Charlie Short was an active member until his death, salute the late veteran on Feb. 23.

THE Fort Mill ELEVEN

Our countdown to 2012's top newsmakers



Tega Cay Mayor George Sheppard presents Team Elvin with the winning trophies in the adult juggling competition during the city's July 4 festivities.

No. 3: Mayor George Sheppard

TEGA CAY — It is possible that 2012 was the busiest year in all of Tega Cay's 30 years as a city, and Mayor George Sheppard presided over it all.

In 2012, Sheppard and the city council helped the city reach a milestone: it hadn't managed in two years — the city didn't have to seek a Tax Anticipation Note. Avoiding seeking a TAN, a low-interest loan that allows state and local governments to borrow money to be repaid by future tax revenues. Saved taxpayers here near \$4,000 and \$4,500 in interest.

But if saving money in taxes isn't exciting enough for you, maybe increasing the tax base is. In 2012 Sheppard announced that Tega Cay was welcoming Wellmore, a 130,000-square-foot, \$30 million

assisted living community to be built in the Sconce development.

But, wait, there's more! Sheppard oversaw the sale of Tega Cay's former City Hall and marina in 2012 and the purchase of the former First Properties building, which has been transformed into Tega Cay's new City Hall near the city's entrance. In May, the city announced property for a new elementary school near the entrance to Shoreline Property.

With such a busy and prosperous 2012, we can't wait to see what 2013 brings.

— Jenny Overman

No. 2: Rufus "Rudy" Sanders

FORT MILL — Although he's proud of the place as a whole, there's one particular reason the new Fort Mill History Museum that creates Rufus Sanders to light up the Christmas tree is the John and Mary Sanders Research Library, named for his parents.

The rest of the museum was underwritten by the couple's grand children.

Rufus Sanders, known as "Rudy" to his friends, did not single-handedly get this long-awaited museum built. Far from it. This achievement can be shared among several dedicated citizens, including Director Ann Goss and former Board of Directors Chairwoman Elizabeth Ford.

He did, however, passionately deliver a rock-solid case to the Fort Mill Town Council while requesting money from the town.

Their financial assistance was needed to keep momentum for the museum project. The council agreed, and before long, a grand opening and ribbon-cutting ceremony was held Dec. 6 at the museum's building at 500 N. White St., next to Springs Insurance Co.

The museum includes 300 years of history, beginning with Spanish exploration. It also has

Please see 3B/3E 3A

No. 1: Linda Stevenson fights TC water hike

By John Marks
jmarks@fortmilltimes.com

TEGA CAY — A state decision-making panel, hundreds of disgruntled residents and a parade of public officials turned up a Dec. 3 water rate hearing in Tega Cay, but one woman stole the show.

Linda Stevenson addressed, answered questions for, and at times even extorted the state officials who'll decide what, if any, rate increase will be allowed for Tega Cay Water Service customers. Stevenson wasn't short on material. She founded the company since its last rate increase several years ago, documenting evidence and calling for others to do the same through the Tega Cay Water Citizens Advisory Council.



Linda Stevenson

That small collection of neighbors of Stevenson's home, all of whom are interested residents when the water provider announced in August that it wants an increase of more than 18 percent for water service and almost 67 percent for wastewater service. A website started up at noon. Stevenson and both the group and city promised ways for residents to fight the increase.

Tega Cay is a special place with special people," Stevenson said. "We just needed the organization and encouragement of knowing that someone was listening and striving to stop this outrageous request for more money in exchange for poor service."

Organizations to what has many optimistic about the upcoming state decision. A 2009 Public Service Commission (PSC) case to take Tega Cay Water Service rates drew four "protests" to the online dockets. With the state commission set for a final hearing Jan. 8 on the current case, there are 681 "protestations" on record, according to the PSC website at press time.

Historically, residents were not organized — although they were equally as outraged," Stevenson said. "Due to the dis-

gence of our committee, we now have more knowledge about how to send letters of protest to the Public Service Commission and which of the many issues we need to highlight."

Stevenson's group has met with the water company and state health department, along with the Catawba Riverkeeper Foundation and multiple elected officials. When issues arose sending online complaints, the city took letters and loved them for residents. If anything about the case has Stevenson surprised, it isn't that so many people are now on board.

(The) surprise was that we did not have more," she said. "Defeating this proposed increase will save a homeowner with average usage approximately \$100 per year. It would seem that everyone would take a little time to send their protest in order to save that kind of money."

Stevenson's group argues that Tega Cay has two main assets that draw people in to take a closer look — the lake and the golf course. Both, she said, are significantly impacted by the water provider that she'd like to see improve, not only in price, but also in service and environmental accountability.

Support of the group's effort from city festivals to council meetings has Stevenson feeling good about this case — and any future ones.

"In the past, the citizens used alone. But now we are organized and are here to help each other," she said. "Residents will no longer fight alone."

Following the Jan. 8 meeting in Columbia, Tega Cay will find out whether the groundswell of protest in 2012 made a difference. The case made this time uses hard facts, not just complaints, and is one Stevenson hopes will stand for itself.

"I feel very positive that we will defeat that proposed rate increase," she said. "Residents clearly made the case against Tega Cay Water Service in their testimony about poor customer service, lack of maintenance, disregard for environmental and regulatory obligations, wastewater wastewater plants and the already high rates."

Santa trades sled for PVFD fire truck

Parhandle n receive gifts, J

By Kyle Smith
ksmith@fortmilltimes.com

INDIAN LAND — Pleasant Valley Fire District's 21st annual Project transcode cheer and goodwill to restore hope for families who suffer painful times in 2012.

The staff of 27 and department personnel with the support of local and other volunteers delivered an assortment of Christmas gifts and housewarming items to the Valley Fire District where in the Indian Land.

The department celebrated their 21st anniversary and celebrated their 21st anniversary. The department is a non-profit organization and is a member of the National Fire Protection Association.

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A PVFD volunteer from Amanda's team.

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EXHIBIT
1/8/13
9
2012-177-WS

1 Drive, in Tega Cay. And I'm here because I'm
2 another irate customer.

3 October of 2011, I took my dog to the vet, and
4 the vet called me back. He let me know that his
5 liver enzymes are elevated and he said, "Well, we
6 can recheck it. Sometimes that happens for no
7 reason." In November, the labs were redone, only
8 to find that the liver and kidney enzymes were, at
9 that time, elevated. And he said, "If I didn't
10 know any better, I would say that he was going into
11 kidney failure." And so this is my healthy dog. I
12 have no idea what's going on.

13 I remembered the letter that we got; there
14 were lead levels of 90 parts per million. And I
15 started doing a little bit of research, and stopped
16 giving my dog tap water. Sure enough, it took
17 about three months and the lab results came back
18 normal. And I have all the lab reports here, if
19 you would like to see.

20 Lead poisoning targets the liver, as well as
21 kidneys. And this is my dog, you know? Thank God
22 it wasn't my five-year-old. But I can turn this
23 in, if you'd like [indicating].

24 CHAIRMAN WRIGHT: Sure, if you would like to
25 turn those in. Mr. Richardson, if you would? That

1 questions?

2 MR. TERRENI: No, Mr. Chairman, thank you.

3 CHAIRMAN WRIGHT: Mr. Nelson.

4 CROSS EXAMINATION

5 BY MR. NELSON:

6 Q Had the company notified you -- you walked us through
7 this process where they came out and asked to have it
8 tested. Did you receive any prior notification from
9 them, or had any discussion been held with you regarding
10 lead levels by the company? I mean, did you have any
11 knowledge of this, prior to all this happening?

12 A There was a letter sent out, stating that 90 parts per
13 million were found in certain samples -- I believe it
14 was three samples -- out of the random samples that were
15 taken through their customer service area in Tega Cay.
16 And the letter reads -- and, I mean, I have an
17 electronic copy, if we need to print that out. But it
18 states that it's basically our fault where the lead
19 comes from, because it's old copper piping that's in our
20 houses. So, you know, and keep boiling your water.
21 Don't use hot water; you know, use the cold, because
22 heavier metals are going to, you know, be more likely to
23 be in the warm water versus the cold.

24 Q Now, after you got -- and I guess after your dog got
25 sick, did you contact the company, then? Is that how

1 they got in touch with you regarding testing?

2 A I didn't -- I did not contact them. I stopped giving my
3 dog tap water, and I just -- we had never been big fans
4 of the water, just because it -- you know, it was, you
5 know, every other month it was some kind of notice
6 saying that we can't swim; we can't drink it; you know,
7 "If you're going to use it to cook with, boil it." I
8 mean, why bother? So --

9 Q So, when the company -- I guess, did the company contact
10 you, then, without your --

11 A They just showed up at my house one day.

12 Q Okay. And you had your water tested, then; is that
13 right?

14 A I did it myself, yeah.

15 Q Do you --

16 A I mean, through them, yeah. They left a bottle for me
17 and told me what to do. And then I left it on my porch.

18 Q Do you give your dog or -- I guess you said you have a
19 five-year-old. Do you use tap water in your house? Do
20 you consume it yourself now?

21 A No.

22 Q What do you use? Do you have --

23 A No.

24 Q Do you use bottled water?

25 A We have a filter. We have a filter, or we'll get

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Banfield Pet Hospital
 14137 Rivergate Pkwy
 Charlotte, NC 28273
 (704) 583-9440

Medical Summary Report

Care Provided at
 Charlotte SW NC on

October 10, 2011 10:27AM

Fecal - Significant Blood Observed **NEGATIVE**
 Fecal - 'Other' Eggs Observed **NEGATIVE**

Recorded on 10/10/2011 02:21:11 PM

Test Name	Result	Units	Range
Albumin, Serum (ALB)	2.7	g/dL	(2.3-4.0)
Alkaline Phosphatase (ALKP) ↑	285.0	U/L	(23.0-212.0)
ALT/SGPT (ALT)	31.0	U/L	(10.0-100.0)
Amylase, Serum (AMYL)	1,048.0	U/L	(500.0-1,500.0)
Calcium, Serum (CA)	10.2	mg/dL	(7.9-12.0)
Cholesterol, Serum (CHOL)	207.0	mg/dL	(110.0-320.0)
Creatinine, Serum (CREA)	1.3	mg/dL	(0.5-1.8)
Glucose, Serum (GLU)	106.0	mg/dL	(74.0-143.0)
Phosphorus, Serum (PHOS)	2.8	mg/dL	(2.5-6.8)
Bilirubin, Total (TBIL)	0.1	mg/dL	(0.0-0.9)
Protein, Total (TP)	6.6	g/dL	(5.2-8.2)
BUN	22.0	mg/dL	(7.0-27.0)
Globulin (GLOB)	3.8	g/dL	(2.5-4.5)

Assessment

Tentative Diagnosis	Status	Date	Hospital
Healthy Pet	Therapy Not Indicated	10/10/2011	1509 Charlotte SW

Plan and Other Notes

Prescribed and Administered Therapy for this visit/hospitalization:

(Reported by most recent date first)

10/10/2011

Office Visit - Completed	Physical Exam: Wellness Plan - Completed
Vaccine - Canine Bordetella - Completed	Medical Waste Disposal Fee - Completed
Vaccine - Distemper Parvo DAPP - Completed	Vaccine - Rabies Virus - Completed
Blood Sample Collect / Prep - Completed	Heartworm/Lyme/Ehrlichia Test - Completed
Intestinal Parasite Fecal Exam - Completed	Fecal Sample Collection - Completed
Pyrantel Pamoate 50mg/ml (per ml) - Completed	Vaccine - Leptospirosis 4-way - Completed
Ear Swab & Microscopic Exam - Completed	WormShield Canine Large 51-100lb Card - Completed



2012-177-WS
 10/13/11

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Banfield Pet Hospital
14137 Rivergate Pkwy
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(704) 583-9440

Medical Summary Report

Care Provided at
Charlotte SW NC on

October 10, 2011 10:27AM

Give with food.
Give by mouth only.

Providing Doctor: Zack Yasin Quantity: 1.00
Discard By: 4/7/2012 Number of Refills: None Refill Expiration Date: No Refills

10/10/2011 12:44 pm
Plan

Yasin, Z. Trolling, L. Davis, A. 1509 Charlotte SW

Patient: Levi (Canine) Client: Karen N Joseph Licausi
Prescription Filled On: 10/10/2011 Prescription #: 1509-10714284
Rx: Pyrantel Pamoate 50mg/ml (per ml) Manufacturer: Vedco
Instructions: Give as Directed.

Providing Doctor: Zack Yasin Quantity: 1.00
Discard By: 4/7/2012 Number of Refills: None Refill Expiration Date: No Refills

10/10/2011 10:28 am
Subjective

Davis, A. 1509 Charlotte SW

p presents as first visit. o says that p is doing fine but is due for vxs. ad

Objective

Yasin, Z. Trolling, L. Davis, A. 1509 Charlotte SW

GEN = BAR; BCS = 6/9; TPR = wnl; EYES = clear OU, red conjunctiva OU, no discharge. EARS = moderate brown/black waxy debris and yeasty smell AU; MOUTH = mild tartar. MM = pm CRT < 2 HEART = no murmurs or arrhythmias; LUNGS = no crackles or wheezes; ABD = soft, non-painful; LN = wnl; SKIN/COAT = wnl; RECTAL = wnl. ZY

Assessment

Yasin, Z. 1509 Charlotte SW

healthy pet
Elevated ALKP may be seen with Cushing's--consider LDDS test to rule out. Rec'd repeating bloodwork to check liver enzymes (Vet Screen). Monitor at home for any GI abnormalities including vomiting/diarrhea that could indicate liver disease. Consider bile acids test in future to test for liver function. May also try metronidazole/amoxicillin abx trial and SAME as well. ZY

Plan(Notes)

Yasin, Z. 1509 Charlotte SW

comp exam
fecal-neg
pyrantel-8.0ml PO
vxs-dapp/lepto, rabies, bord
hwt-neg
chem-ALKP = 286 high
cbc-postponed machine not working

1 Prognosis: good
2 Client Education: hw/flea prevention, dental chews, wellness plans
3 Recheck: 3 weeks
4 Follow-Up Therapy: boosters/possible recheck chem can be vetscreen

Therapy presented & declined by the client this visit/hospitalization:

GlenHaven C1/O Ctic (NF) 8oz - Client Declines
Microchip - TruePaws Package - Client Declines
Microchip - TruePaws 134.2 KHz - Client Declines
Microchip Membership Fee - Client Declines

Therapy considered but not medically necessary for this visit/hospitalization:

Remicin Ear Ointment Tube (15gr) - Not Medically Necessary

Therapy postponed by the client or doctor this visit/hospitalization:

Tonometry - Postponed
Blood Cell Count - Postponed
Differential Exam of Blood Cells (Manual Count/Evaluation) - Post

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Medical Summary Report

Care Provided at
 Charlotte SW NC on

October 17, 2011 12:42PM

MCV		66.0	fl	(60.0-72.0)
MCH		22.5	pg	(19.5-24.5)
MCHC		34.1	g/dl	(34.0-38.0)
RDW	↓	0.0	%	(12.0-16.0)
Platelet Count (PLT)		333.0	10 ³ /μl	(200.0-500.0)
MPV	↓	0.0	fl	(6.1-10.1)

Recorded on 10/17/2011 12:52 28 PM

Test Name	Result	Units	Range
Bands, Neutrophil, %	0.0	%	(0.0-2.0)
Segs, Neutrophil, %	68.0	%	(60.0-77.0)
Lymphocyte, %	18.0	%	(12.0-30.0)
Eosinophil, %	9.0	%	(2.0-10.0)
Basophil, %	0.0	%	(0.0-1.0)
Monocyte, %	5.0	%	(3.0-10.0)
Platelet Count (PLT)	333.0	10 ³ /μl	(200.0-500.0)
RBC Morphology	NORMAL		
Hospital Comments: wnl.			
Rouleau Formation - RBC	NEGATIVE		
Nucleated RBC	NEGATIVE		

Plan and Other Notes

Prescribed and Administered Therapy for this visit/hospitalization:

(Reported by most recent date first)

10/17/2011

Differential Exam of Blood Cells (Manual Count/Evaluation) - Comp Blood Cell Count - Completed

Medical Waste Disposal Fee - Completed

Additional Medical Notes documented for this visit/hospitalization:

(Reported by most recent date first)

Date	Type	Note	Doctor	VT / VA	CSC	Hospital
10/17/2011 12:51 pm	Plan		Yasin, Z.	Folse, N.		1509 Charlotte SW
		The Lab Results for Blood Cell Count were manually entered.				

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Banfield Pet Hospital
14137 Rivergate Pkwy
Charlotte, NC 28273
(704) 583-9440

Medical Summary Report

Care Provided at
Charlotte SW NC on

October 17, 2011 12:42PM

Visit Info: Outpatient visit on 10/17/2011

Future appointment(s) scheduled for:
None agreed to by client

Patient Information on 10/17/2011

Name: Levi
Species: Canine
Breed: Retriever, Labrador
Gender: Male
Description: White
Date of Birth: 11/03/2003

Weight: No Weight Available
Microchip #: None
Optimum Wellness Plan: Essential Wellness
Levi has visited this Banfield Hospital 1 time.
Levi's first visit on 10/10/2011 at this hospital

Preventive Care	Given	Due Date	Preventive Care	Given	Due Date
Heartworm Prevention	10/10/2011	04/07/2012	Heartworm Test	10/10/2011	10/09/2012
Roundworms	10/10/2011	04/07/2012	Lyme Test	10/10/2011	10/09/2012
Hookworms	10/10/2011	04/07/2012	Ehrlichia canis Test	10/10/2011	10/09/2012
Rabies	10/10/2011	10/09/2012	Blood Cell Count	10/17/2011	10/16/2012
DAPP	10/10/2011	10/31/2011	Serum Chemistries	10/10/2011	10/09/2012
Leptospirosis	10/10/2011	10/31/2011	Differential Exam	10/17/2011	10/16/2012
Bordetella	10/10/2011	10/31/2011	Fecal Exam	10/10/2011	04/07/2012
Lyme	11/29/2004	11/29/2005			

Subjective

Levi was presented on 10/17/2011 for: Other - Miscellaneous, Outpatient Visit Only

Objective

Physical Exam Findings on 10/17/2011

Laboratory Results: (↑ = above normal, ↓ = below normal, = could not be evaluated)

Recorded on 10/17/2011 12:51:52 PM

Test Name	Result	Units	Range
WBC	11.3	10 ³ /μl	(6.0-17.0)
RBC Count (RBC)	6.57	10 ⁶ /μl	(5.5-8.5)
Hemoglobin (HGB)	14.8	g/dl	(12.0-18.0)
Hematocrit (HCT)	43.4	%	(37.0-55.0)

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Medical Summary Report

Care Provided at
Charlotte SW NC on

November 01, 2011 8:23AM

Plan	Marrone, J.	1509 Charlotte SW
	Client notified re status spoke w o regarding elevations in liver and kidney values, o states p acting fine at home and very active, swims and runs a lot, no PU/PD, eating well. o stated recently received a letter from utilities company about increased lead in water and that she may check it at her house and poss take where p often swims. discussed that sounds like p feels fine at home and since it has been awhile since last bw would rec rechecking BW (send to antech for consistency). o stated she would call mon and make an appt. jm	
03/20/2012 8:10 pm		
Miscellaneous	Trzcinski, K.	1509 Charlotte SW
	Notify client re status attempted to call o to let them know that dr marrone will call them tomorrow with results o inquired about earlier today but number o left had no machine and i got a recording say "customer is unavailable". kt	
02/24/2012 12:39 pm		
Miscellaneous	Davis, A.	1509 Charlotte SW
	o came by to update her contact information. o also wanted to discuss p's lab results with JM. told o that he would be out for about a week, but that i could take a message for him to call her when he returns. ad	
12/10/2011 1:56 pm		
Plan	Marrone, J.	1509 Charlotte SW
	Client notified re status LMOM apologized for not getting results to o sooner, had antech fax again, stated ALKP still elevated but not worse than previous bw, also stated kidney values slightly elevated, stated can call back to discuss where to go from here (i.e. BAS, denamarin, etc)	
12/09/2011 3:45 pm		
Miscellaneous	Houlbrook, B.	1509 Charlotte SW
	o came in wondering why she hadn't heard from anyone regarding the results of p's vetscreen on 11/1/2011. told o i would leave a message for the doctors. bh	
11/02/2011 11:17 am		
Miscellaneous	Davis, A.	1509 Charlotte SW
	follow up call - LMOM checking on p and asking o to call with any concerns. ad	
11/01/2011 3:56 pm		
Plan	Marrone, J. Mince, K. Lewis, M.	1509 Charlotte SW
	Administered at: 11/01/2011 10:02 AM Preventive Care: Vaccine - Canine Bordetella Route: Intranasal Site: Intranasal Producer: Pfizer Expiration Date: 10/31/2012 Lot Number: Lot Expiration: / / Given in Combination/Product: Bronchicine (Bord Killed) Injectable	
Plan	Marrone, J. Mince, K. Lewis, M.	1509 Charlotte SW
	Administered at: 11/01/2011 10:02 AM Preventive Care: Vaccine - Leptospirosis 4-way Route: Subcutaneous Site: Right Shoulder Producer: Pfizer Expiration Date: 10/31/2012 Lot Number: Lot Expiration: / / Given in Combination/Product: Vanguard Plus 5L4 DAPP/Lepto	
Plan	Marrone, J. Mince, K. Lewis, M.	1509 Charlotte SW
	Administered at: 11/01/2011 10:01 AM Preventive Care: Vaccine - Distemper Parvo DAPP Route: Subcutaneous Site: Right Shoulder Producer: Pfizer Expiration Date: 10/31/2014 Lot Number: Lot Expiration: / / Given in Combination/Product: Vanguard Plus 5 L4 DAPP/Lepto	
11/01/2011 3:54 pm		
Plan	Marrone, J. Mince, K. Lewis, M.	1509 Charlotte SW
	Patient: Levi (Canine) Client: Karen N Joseph Licausi Prescription Filled On: 11/1/2011 Prescription #: 1509-10735494 Rx: GlenHaven C1/O Otic (NF) 8oz Manufacturer: Instructions: Apply as Directed	

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Banfield Pet Hospital
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Medical Summary Report

Care Provided at
 Charlotte SW NC on

November 01, 2011 8:23AM

Respiratory	Right Caudal Auscultation Bronchovesicular Sounds - Normal Right Cranial Auscultation Bronchovesicular Sounds - Normal Left Caudal Auscultation Bronchovesicular Sounds - Normal Left Cranial Auscultation Bronchovesicular Sounds - Normal	Right Caudal Auscultation Percussion - Normal Right Cranial Auscultation Percussion - Normal Left Caudal Auscultation Percussion - Normal Left Cranial Auscultation Percussion - Normal
Cardiovascular	Hear: Murmur - None Pulse - Normal	Heart Rhythm - Normal
Abdominal	Prostate Palpation - Normal Stomach Palpation - Normal Intestinal Palpation - Normal Abdominal Lymph Nodes - Normal	Spleen Palpation - Normal Hepatic Palpation - Normal Kidney Palpation - Normal Bladder Palpation - Normal
Urogenital	Penis/Prepuce - Normal	Testicles - Non Existent/Normal
Perineal	Tail - Normal Anal Glands - Normal	Perineum - Normal
Musculoskeletal	Musculoskeletal Exam - Normal	
Neurological	Mentation - Normal Paresis - None	Paralysis - None

Abnormal Findings (Reported by the client or observed):

Otic	Brown Exudate - Left Ear	Brown Exudate - Right Ear
------	--------------------------	---------------------------

Laboratory Results: (↑ = above normal; ↓ = below normal; = could not be evaluated)

Recorded on 12/10/2011 04:29:14 PM

Test Name		Result	Units	Range
Total Protein	↑	7.5	g/dL	(5.0-7.4)
Albumin		3.8	g/dL	(2.7-4.4)
Globulin	↑	3.7	g/dL	(1.6-3.6)
Albumin/Globulin Ratio		1.0	Ratio	(0.8-2.0)
AST (SGOT)		22.0	U/L	(15.0-66.0)
ALT (SGPT)		40.0	U/L	(12.0-118.0)
Alk Phosphatase		287.0	U/L	(5.0-131.0)

Enzyme
 made by Liver & Kidneys

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Medical Summary Report

Care Provided at
 Charlotte SW NC on

November 01, 2011 8:23AM

Total Bilirubin		0.1	mg/dL	(0.1-0.3)
Urea Nitrogen	↑	38.0	mg/dL	(6.0-31.0)
Creatinine	↑	1.8	mg/dL	(0.5-1.6)
BUN/Creatinine Ratio		21.0	Ratio	(4.0-27.0)
Phosphorus		4.2	mg/dL	(2.5-6.0)
Glucose		95.0	mg/dL	(70.0-138.0)
Calcium		10.0	mg/dL	(8.9-11.4)
Sodium		148.0	mEq/L	(139.0-154.0)
Potassium		4.2	mEq/L	(3.6-5.5)
Na/K Ratio		35.0		
Chloride		110.0	mEq/L	(102.0-120.0)
Cholesterol		187.0	mg/dL	(92.0-324.0)
CPK		151.0	U/L	(59.0-895.0)

Comment

Lab Comments: Hemolysis 1+ No significant interference.

Assessment

Tentative Diagnosis	Status	Date	Hospital
Healthy Pet	Therapy Not Indicated	11/01/2011	1509 Charlotte SW

Plan and Other Notes

Prescribed and Administered Therapy for this visit/hospitalization:

(Reported by most recent date first)

11/01/2011

Medical Waste Disposal Fee - Completed

Vaccine - Leptospirosis 4-way - Completed

Office Visit - Completed

Blood Sample Collect / Prep - Completed

GlenHaven C1/O Olic (NF) 8oz - Completed

Vaccine - Distemper Parvo DAPP - Completed

Vaccine - Canine Bordetella - Completed

Physical Exam: Wellness Plan - Completed

Ve: Screen-RefLab (ES) - Completed

Additional Medical Notes documented for this visit/hospitalization:

(Reported by most recent date first)

Date	Type	Note	Doctor	VT / VA	CSC	Hospital
03/23/2012	6:36 pm					

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Banfield Pet Hospital
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Charlotte, NC 28273
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Medical Summary Report

Care Provided at
Charlotte SW NC on

April 12, 2012 7:23AM

Respiratory	Right Cranial Auscultation Bronchovesicular Sounds - Normal Left Caudal Auscultation Bronchovesicular Sounds - Normal Left Cranial Auscultation Bronchovesicular Sounds - Normal	Right Cranial Auscultation Percussion - Normal Left Caudal Auscultation Percussion - Normal Left Cranial Auscultation Percussion - Normal
Cardiovascular	Heart Murmur - None Pulse - Normal	Heart Rhythm - Normal
Abdominal	Prostate Palpation - Normal Stomach Palpation - Normal Intestinal Palpation - Normal Abdominal Lymph Nodes - Normal	Spleen Palpation - Normal Hepatic Palpation - Normal Kidney Palpation - Normal Bladder Palpation - Normal
Urogenital	Penis/Prepuce - Normal	Testicles - Non Existent/Normal
Perineal	Tail - Normal Anal Glands - Normal	Perineum - Normal
Musculoskeletal	Musculoskeletal Exam - Normal	
Neurological	Mentation - Normal Paresis - None	Paralysis - None

Abnormal Findings (Reported by the client or observed):

Otic	Brown Exudate - Left Ear	Brown Exudate - Right Ear
Oral/Nasal	Tartar on Teeth - Found	

Laboratory Results: (↑ = above normal, ↓ = below normal, = could not be evaluated)

Recorded on 04/12/2012 07:53:21 PM

Test Name	Result	Units	Range
Albumin, Serum (ALB)	3.2	g/dL	(2.2-3.9)
Alkaline Phosphatase (ALKP)	130.0	U/L	(23.0-212.0)
ALT/SGPT (ALT)	32.0	U/L	(10.0-100.0)
Amylase, Serum (AMYL)	946.0	U/L	(500.0-1,500.0)
Calcium, Serum (CA)	11.1	mg/dL	(7.9-12.0)
Cholesterol, Serum (CHOL)	222.0	mg/dL	(110.0-320.0)
Creatinine, Serum (CREA)	1.3	mg/dL	(0.5-1.8)

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(704) 503-9440

Medical Summary Report

Care Provided at
Charlotte SW NC on

April 12, 2012 7:23AM

Glucose, Serum (GLU)	124.0	mg/dL	(70.0-143.0)
Phosphorus, Serum (PHOS)	3.9	mg/dL	(2.5-6.8)
Bilirubin, Total (TBIL)	0.1	mg/dL	(0.0-0.9)
Protein, Total (TP)	6.9	g/dL	(5.2-8.2)
BUN	18.0	mg/dL	(7.0-27.0)
Globulin (GLOB)	3.8	g/dL	(2.5-4.5)

Recorded on 04/12/2012 07:53:39 PM

Test Name	Result	Units	Range
Fecal - Roundworms Eggs Observed	NEGATIVE		
Fecal - Hookworms Eggs Observed	NEGATIVE		
Fecal - Whipworm Eggs Observed	NEGATIVE		
Fecal - Giardia Observed	NEGATIVE		
Fecal - Coccidia Oocysts Observed	NEGATIVE		
Fecal - Tapeworms Observed	NEGATIVE		
Fecal - Abnormal Bacteria Observed	NEGATIVE		
Fecal - Significant Blood Observed	NEGATIVE		
Fecal - 'Other' Eggs Observed	NEGATIVE		

Recorded on 04/12/2012 07:53:44 PM

Test Name	Result	Units	Range
Tonometry - Left	21.0		(13.0-30.0)
Tonometry - Right	23.0		(13.0-30.0)

Assessment

Tentative Diagnosis	Status	Date	Hospital
Anal Sacs, Full (Otherwise Normal)	Undergoing Therapy	04/12/2012	1509 Charlotte SW
Otitis Externa, Medical	Undergoing Therapy	04/12/2012	1509 Charlotte SW

Plan and Other Notes

Prescribed and Administered Therapy for this visit/hospitalization:
(Reported by most recent date first)

04/12/2012

Comprehensive Exam - Canine - Completed

Otoscopy Exam - Complete - Completed

1 will be Exhibit No. 10.

2 MR. RICHARDSON: [Indicating.]

3 MR. ELLIOTT: [Indicating.]

4 WITNESS: And I will say, too --

5 CHAIRMAN WRIGHT: Hold on a second.

6 WITNESS: I'm sorry.

7 [Brief pause]

8 MR. ELLIOTT: Thank you.

9 [WHEREUPON, Hearing Exhibit No. 10
10 was marked and received in evidence.]

11 CHAIRMAN WRIGHT: Okay, you can continue.

12 WITNESS: Okay. Then I had a visit -- and I
13 did not write this down, but I had a visit from a
14 representative, I want to say, of the Public
15 Commission, as well as Utilities, Inc. -- there was
16 a few guys with Utilities, Inc. -- that came out to
17 talk to me and to look at my pipes, and so forth,
18 because of the protest letter that I had sent in.
19 And they asked if I would like to have my water
20 tested; I said yes. And they were making note of
21 copper piping that's in my house. My water was
22 sent off and came back completely normal.

23 CHAIRMAN WRIGHT: All right.

24 WITNESS: So, that's it.

25 CHAIRMAN WRIGHT: Okay. Mr. Terreni, any

1 cart took off Sunday to check lift stations, and
2 they have fixed some locks, they have removed some
3 of the horrible debris from a couple of the
4 stations, and they did -- they put up a little
5 privacy fence thing, but they only covered a little
6 part of what they were trying to cover up. It's
7 kind of the usual sloppy, not-finished job.

8 Then -- okay. Since our hearing in December,
9 Linda and I have had a great deal of support from
10 people we never heard from, the kind of people that
11 just hope that you're going to take care of their
12 problem. I got a note in my mailbox from a lady
13 who said not only did the sewer overflow in her
14 back yard, and the water service company when they
15 called said to them -- wait a minute -- "Oh, it's
16 not really a problem. It'll be okay." And raw
17 sewage was flowing into the lake. At the time,
18 they didn't know what to do. Then she also talked
19 about the time they started blowing out the sewer
20 lines and it blew sewage into their basement. You
21 know, people are embarrassed. They think they did
22 this, and they didn't do it. They had -- well, the
23 water company told them that they were not
24 responsible for that; there was no -- it was not
25 their fault. They simply refused to take

1 responsibility. And yet, she had never had any
2 issues with sewer water coming into her basement.

3 We two old ladies need a break. Will you
4 please deny the rate increase? We're getting
5 really tired.

6 Oh, I forgot. The water -- boil-water thing?
7 That happens maybe once a month. But the thing is,
8 they never call you back and say, "Oh, you can
9 drink the water now." It's always, "Boil the
10 water."

11 And as far as the Tega Cay, there are 1,700
12 homes that are serviced by Tega Cay Water Service.

13 That's kind of all I have to say.

14 CHAIRMAN WRIGHT: Thank you. Mr. Terreni, any
15 questions?

16 CROSS EXAMINATION

17 BY MR. TERRENI:

18 Q Yes, ma'am. Would you mind telling us who the author of
19 that letter was?

20 A Her name is Carol -- and I can't, for the life of me,
21 think of her last name. But I'll be happy to provide my
22 copy.

23 Q That's all right.

24 A Okay. She was recently widowed, and her husband was
25 very ill, and she never came out and never talked. And

1 processing, I wouldn't have an issue if not for the
2 fact that they allow the third party to charge
3 customers for making a payment. So, \$3 a month
4 doesn't sound so terrible, but this is a fee to pay
5 my bill. Every other company bill that is paid in
6 our home is paid online, and not one other company
7 charges me to pay it. It's standard in the
8 business world today. For us, it's an extra \$36 a
9 year just to pay our bill in a way that's
10 convenient for us, the customer.

11 To me, these customer service issues show that
12 the company not only isn't putting money into the
13 infrastructure but they're not willing to invest in
14 the company to stay up-to-date with current
15 business standards.

16 I found out this week that Utilities, Inc.,
17 was offered for sale in November 2011 and had a
18 contract to purchase that was entered in February
19 2012. So maybe others here already know of this
20 sale; I was not aware. And to me, this is
21 pertinent to the rate increase. Since the company
22 was offered for sale during the test year of 2011,
23 I've attached an article from *American Water*
24 *Intelligence*, a trade magazine in the water
25 industry, as well as a press release from the

1 website of the company that is buying Utilities,
2 Inc. Those are documents four and five.

3 In a nutshell, it is reported in the article
4 that High Star Capital bought Utilities, Inc., in
5 2006 for approximately \$192 million. Now, six
6 years later, they are selling it for in the
7 neighborhood of \$500 million. A several-hundred-
8 million-dollar increase in six years; that's a good
9 return. But those are six years where Tega Cay
10 Water Service has made only minimum investment in
11 our infrastructure; six years of sewage spillage in
12 our homes, our yards, and our lakes; six years of
13 water line breaks and the regular boil-water
14 advisories because of our failing system; and six
15 years where they received two increases and now are
16 seeking a third.

17 Enough is enough. I urge you to deny any
18 increase to Tega Cay Water Service. Thank you.

19 AUDIENCE: [Applause.]

20 CHAIRMAN WRIGHT: Thank you. Mr. Terreni, any
21 questions?

22 MR. TERRENI: No, sir, Mr. Chairman.

23 CHAIRMAN WRIGHT: Mr. Nelson, any questions?

24 <

25 <

American Water Intelligence

Market-Leading Analysis of the American Water Industry

Corix takes a big bite with Utilities, Inc. purchase

VOL 3, ISSUE 3 (MARCH 2012)

From: Vol 3, Issue 3 (March 2012)

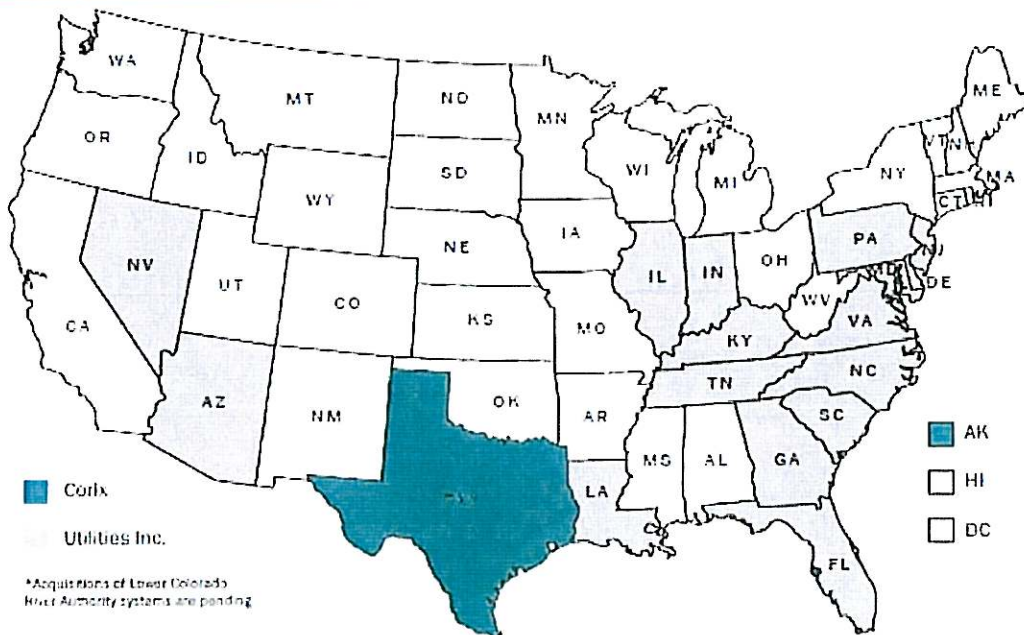
Category: General

Region: Americas

Country: Canada

Related Companies: Corix and Utilities, Inc

GEOGRAPHY OF SYSTEMS OWNED BY CORIX AND UTILITIES, INC. IN THE U.S.



The Canadian utility company has scored big in its bid to become the top multi-utility infrastructure company in North America. Has it set itself up for a regulatory nightmare by jumping into 15 states?

Canadian water and wastewater utility infrastructure company Corix agreed to purchase the assets of Utilities, Inc. wholesale Feb. 20, apparently running counter to the portfolio rationalization strategy that domestic investor-owned utilities such as American Water and Aqua America have adopted in recent years.

Corix Utilities U.S. Vice President and Chief Operating Officer Kevin Meagher told AWI that Corix, which currently owns Fairbanks Sewer and Water in Alaska, is confident in its ability to work with a wide variety of regulatory bodies. These considerations have strongly influenced decisions by American Water and Aqua to swap and sell assets in certain states.

Corix's ability to navigate the regulatory environment and obtain approvals from so many different entities during the next nine to 12 months will certainly be worth keeping an eye on. In order for a smooth transition to take place, Corix will have to avoid the regulatory nightmare RWE encountered when it purchased American Water back in 2003. Many of the state regulatory commissions in American Water's operating territory demanded rate-stay-out clauses before granting approval. RWE sold its remaining stake in American Water in 2009, but the latter is still recovering from the effects of the rate freezes.

In terms of overall regulatory favorability, Corix is buying into three states that were tagged as "marginal" in a recent assessment by Baird Equity Research – Florida, Indiana and Illinois. Nevertheless, Baird senior utility analyst David Parker told AWI that he does not believe Corix will experience "tough sledding" as it seeks regulatory approvals because many of the states Corix is buying into do not require state regulatory commission approval for an acquisition of this sort. The fact that Corix is, like Utilities, Inc., privately owned, may also make the approval process less complicated, Parker observed.

Meagher also said he does not foresee any major challenges because Corix is not attempting to "squeeze more money" out of the systems, but instead wants to minimize future rate hikes.

"I've been in the regulated world my whole career," said Meagher. "I don't see it as foreign territory. As in every regulated business, you're not going to win every battle. They're not always going to see your side, and you're not always going to see their side, but you learn to work together for what's ultimately best for the consumer. "

The agreement was announced the day before Corix had its impending purchase of 20 Texas systems owned by the Lower Colorado River Authority approved. Once all the acquisitions have been completed, Corix will have ownership of systems in 17 U.S. states. Corix has of late been engaged in a competitive race with other Canadian companies such as Epcor to penetrate the American utility market. A spokesman for Epcor, which in January finalized its purchase of American Water's regulated operations in Arizona and New Mexico, declined to confirm whether the company had participated in the bidding for Utilities, Inc.

Terms of the deal have not been disclosed, but **seller Highstar Capital was understood to have been seeking \$500 million at the time Utilities, Inc. was put on the block in November**. Annual revenues were believed to be approximately \$120 million. Analysts were surprised by the minimal amount of time that elapsed between the announcement and the agreement with Corix, which suggests that Highstar was able to get a price at or near what it was rumored to be asking. It is unclear if a reluctance on the part of Highstar to entertain anything other than an all-or-nothing sale of Utilities, Inc. discouraged a number of potential suitors from proceeding to the final bidding stages.

Highstar initially purchased Utilities, Inc. from Nuon in 2006 for **\$192.5 million**. Since then, Utilities, Inc.'s customer base has shrunk by approximately 10,000 customers (from 300,000 to 290,000) despite the company gaining 40,000 customers through the 2007 purchase of the Perkins systems in Arizona. It subsequently exited Mississippi and Ohio and has divested at least nine systems since 2006, including five systems in Florida that it sold to Pluris, LLC in 2009. Two additional sales in the Florida panhandle are pending.

Highstar appears to have done a decent job of unloading some of the low-growth and troubled systems in the Utilities, Inc. portfolio. One of the more recent divestments, that of the wastewater collection system in Rain Forest and Stonecreek, S.C., in 2010, was undertaken as a result of a condemnation. Some systems divested in 2009 in Martin County, Fla., were known to have reported financial losses in the prior year.

Meagher said the systems his company is taking on all appear to be in good operating condition based on Corix's due diligence. Corix also learned that **Highstar had made investments in the Utilities, Inc. systems while not filing for regular rate increases.**

It remains to be seen how the purchase will affect Corix's U.S. contract operations business, which includes water and sewer systems at the University of Oklahoma and both regulated and non-regulated systems in Alaska. The move could spur growth on par with Corix's operations business in Canada. All told, the company operates more than 100 water and wastewater systems in North America, 15 of which are in the U.S.

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For editorial questions, please contact our editor, [Brady Porche](#), tel 512.364.0538.

[REF: <http://www.americanwaterintel.com/archive/3/3/general/corix-takes-big-bite-utilities-inc-purchase.html>]

AWI, Vol 3, Issue 3 (March 2012)



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Corix Utilities to Acquire Utilities, Inc. from Highstar Capital

Monday, February 20, 2012

NORTHBRIDGE, IL — Corix Utilities ("Corix") announced today that it has entered into a definitive agreement to acquire 100% of the membership interests in Hydro Star, LLC ("Hydro Star") from Highstar Capital Fund II, L.P. and certain of its affiliates and co-investors ("Highstar"). Hydro Star, through its wholly owned subsidiary, Hydro Star Holdings Corporation, is the sole shareholder of Utilities, Inc., a privately held regulated water and wastewater company headquartered in Northbrook, IL.

Utilities, Inc. is one of the largest privately owned U.S. water and wastewater companies, serving over 250,000 customers across 15 states. Utilities, Inc. has five regional offices and employs 125 professional staffs 76 subsidiaries in the states of Arizona, Florida, Georgia, Illinois, Indiana, Kentucky, Louisiana, Maryland, Nevada, New Jersey, North Carolina, Pennsylvania, South Carolina, Tennessee and Virginia.

"Corix's vision is to be the leading North American utility infrastructure provider and this acquisition continues the successful execution of our growth strategy," said Brett Horton, President and Chief Executive Officer of Corix. "These assets come with an exceptional management team and employee group with a proven track record of delivering safe and reliable service. These values align with Corix's commitment to working closely with local communities in providing sustainable utility infrastructure solutions across North America. We look forward to welcoming the Utilities, Inc. management and employees to Corix," said Mr. Horton.

"We are pleased to support Corix and their management team's execution on their growth strategy," said Erich Welsh, Vice President at Dutch Columbia Investment Management Corporation ("DCIM"). "This acquisition aligns with DCIM's strategy of holding and supporting a long-term investment portfolio of companies that provide essential infrastructure to local communities."

"We believe that Utilities, Inc. is a best-in-class water utility with a strong management team and a dedicated and highly professional group of employees," said Christopher H. Lee, Highstar's founder and Managing Partner. "Under our ownership, Utilities, Inc. has been customer-focused and committed to providing safe and reliable service. We are pleased that Corix is also a leader in the North American water sector and shares these values."

The transaction is subject to customary approvals including state regulatory approvals, expiration of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act ("HSR") and review by the Committee of Foreign Investment in the United States ("CFIUS").

Corix was advised by Webb, Engel, Senackes, LLP and St. John, LLP, State, Douglas, Wilbur, LLP and its Securities in the merger, and is planning to support the transaction. OH and RDC Capital Markets served as financial advisors to Highstar, along with Morgan, Lewis & Bockius, LLP as legal counsel.

About Corix

The Corix Group of Companies, with corporate offices located in Westbury, NY, and New York, NY, consists of a leader in the implementation of sustainable water, wastewater and energy infrastructure solutions for public and private communities across North America. Corix is a private company whose primary owners are F.J. Investment Management Corporation and C&J Capital Management.

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